BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

JULY 10, 1997

IN RE: Fort Mill Telephone Company - Revisions) ORDER to its General Subscriber Service Tariff) DENYING to Comply with FCC Orders.) RECONSIDERATION

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Petition for Reconsideration of our earlier Order in this Docket filed by the South Carolina Public Communications Association (SCPCA). In that Order, we approved tariff filings and denied the Motions of the SCPCA with respect to those members of the South Carolina Telephone Coalition (SCTC) whose payphone rates are based on a percentage of the B-1 rate plus a message charge, or whose rates are flat-rated at one and a half times the B-1 rate or less. The Order required the remaining members of the SCTC to furnish further cost data to support their rates, or bring their rates within the aforementioned parameters.

The SCPCA asserts that our Order is improper under the Administrative Procedures Act. It also states that the Commission erroneously determined that the SCTC member filings were in compliance with the Federal Communications Commission (FCC) Orders issued in FCC Docket No. 96-128. Further, SCPCA notes that, in its opinion, the Commission's decision is in error, since the

LEC's have failed to produce the cost studies required by the FCC Orders, and the Commission has not reviewed any such studies.

The allegations of SCPCA are without merit. We reaffirm our earlier Order. As we stated in that Order, we examined in full the proposed tariff revisions by SCTC members, the Motions of SCPCA, and SCTC's responses. Accordingly, we concluded after this review that all subsidies have been removed with SCTC member filings, that the rates proposed are non-discriminatory, and that all local exchange carriers (LEC's) who are members of SCTC are entitled to receive Dial Around Compensation. We have reexamined the materials, and have reached the same conclusions. Further, in our earlier Order, we set a rate standard which we consider to be fair and reasonable. We stated that if various LEC members of SCTC were attempting to use rates that did not meet this standard, then such members had to furnish further cost data to support the rates in the tariff, or, in the alternative, they could refile their rates to match the rate standard set out by the Commission.

We feel that this is sufficient to address the concerns of SCPCA, and we do not believe that we are in violation of any Administrative Procedures Act standard by ruling in the manner that we did. Further, we believe that if the LEC's rates meet the criteria as set out by the Commission, then no cost studies need be produced, since the LEC would meet FCC standards as promulgated in Order in Docket No. 96-128. The Petition for Reconsideration must therefore be denied.

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This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)